

ADMINISTRATIVE APPROVAL CO 471.004 and AIO 24.002

Mr. Gil Beuhler
GPB Waterflood Resource Manager
BP Exploration (Alaska) Inc.
P.O. Box 196612
Anchorage, AK 99519-6612

Dear Mr. Beuhler:

By letter dated September 27, 2004, BP Exploration (Alaska), Inc. ("BPXA") requested a 120 day extension to the existing authorization to conduct a pilot miscible injection (MI) project in the Borealis Oil Pool ("BOP") in wells V-100, L-105 and L-108. The Commission approved the MI pilot through administrative action by Conservation Order 471.003 and Area Injection Order 24.002 dated June 29, 2004. The pilot was scheduled to end on September 30, 2004.

You have advised us that a facility maintenance issue limited the data that could be gathered on the pilot. In order to provide the information requested by the Commission, additional time is necessary to conduct the pilot.

Permission to extend the pilot miscible injection project in the BOP can be administratively approved provided the pilot does not cause waste, jeopardize correlative rights, is based on sound engineering and geoscience principles and will not result in an increased risk of fluid movement into freshwater.

The Commission hereby approves a four-month extension to the MI pilot, ending January 31, 2005. This approval is subject to the conditions, limitations, and requirements set out by statewide requirements under 20 AAC 25 (to the extent not otherwise superseded by AIO 24 and Conservation Order 471). Injection of MI will be allowed only into wells V-100, L-105 and L-108. Review of the information obtained during the test period must be presented to the Commission before March 1, 2005.

DONE at Anchorage, Alaska and dated October 7, 2004.

John K. Norman
Chairman

Daniel T. Seamount, Jr.
Commissioner